

CITY OF MINNEAPOLIS  
LICENSES AND CONSUMER SERVICES  
350 SOUTH 5<sup>TH</sup> STREET, ROOM 1-C, CITY HALL  
MINNEAPOLIS, MN 55415

**FINDINGS OF FACT  
CONCLUSIONS, AND  
RECOMMENDATIONS**

In the Matter of License No. L237 50015 STUB & HERBS  
for LIQ ON-SALE C-1 W/SS SERIES 3000 Held by:

**STERBS DEVELOPMENT LLC**

**ATTN: JOSHUA ZAVADIL**

**227 OAK ST SE**

**MINNEAPOLIS, MN 55414**

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09-0729308

This matter came before the Division of Licenses and Consumer Services at a Licensing Settlement Conference meeting on Wednesday, September 30, 2009 in Room 1C, Minneapolis City Hall.

Appearing on behalf of the Licensee were Joshua Zavadil; Owner, Ryan Oberlander; Owner, Jonathan Landers; Manager, and Laura Boyd; consultant. Appearing for the City were Ricardo Cervantes; Deputy Director, Michele Olds; License Inspector, Lt. Travis Glampe; Police Licensing, and Sgt. Rolf Markstrom; Police Licensing. Based on information presented at the hearing, the Division makes the following findings of fact, conclusions, and recommendations:

**FINDINGS OF FACT**

1. Sterbs Development has held an On-Sale Liquor with Sunday Sales, Class C-1 License at this location for two years.
2. The Minneapolis Police Department License Investigation Division conducts youth alcohol compliance checks in an effort to assure retail alcohol license holders are not serving alcohol to persons the age of 21 years.
3. On April 3, 2009, Minneapolis Police Officers conducted a Youth Alcohol Compliance check at Stub and Herbs, located at 227 Oak Street Southeast in the city of Minneapolis. A 20 year old male and 18 year old female were sent into the business in an attempt to purchase alcohol. Both of the underage decoys sat at the bar and each ordered a beer. The bar tender asked to see both decoys' identification. After looking at the identification of both decoys, the bar tender refused to serve the 18 year old decoy, but served the 20 year old decoy a bottle of Coors Light. As a result of the failed compliance check, an administrative citation for sale of alcohol to a minor was issued to the Stub and Herbs in the amount of \$500. This citation has been paid.
4. On May 27, 2009, Minneapolis Police Officers conducted a Youth Alcohol Compliance check at Stub and Herbs. Two 20 year old females were sent into the business in an attempt to purchase alcohol. Both of the underage decoys sat at the bar and each ordered a beer. The bar tender asked to see both decoys' identification. After looking at the identification of both decoys, the bar tender refused to serve one of the decoys, but served the other decoy a bottle of Michelob Golden Light. This constituted a second failure of youth alcohol compliance check.

An administrative citation for sale of alcohol to a minor-2<sup>nd</sup> violation was issued to Stub and Herbs in the amount of \$1000. This citation has been paid.

5. On July 15, 2009 Minneapolis Police Officers conducted a youth alcohol compliance check at Stub and Herbs. The Stub and Herbs employee properly identified the underage decoys and denied them access to alcohol.
6. On September 19, 2009 Minneapolis Police Officers conducted a youth alcohol compliance check at Stub and Herbs. This was done along with a series of youth alcohol compliance checks at liquor establishments that had obtained temporary expansions of premises in conjunction with the University of Minnesota Football game. A 20 year old female and 18 year old male were sent into the parking lot area of Stub and Herbs, which was being used as an expanded part of their premises. The underage decoys were asked for identification by a security guard that was standing at the entrance. The security guard looked at their identification and allowed them entry into the secured area where alcohol was being served. At that point the decoys were able to walk to the bar and were served alcoholic beverages. This constituted a third youth alcohol compliance failure. An administrative citation (in the amount of \$2000) for sale of alcohol to a minor-3<sup>rd</sup> violation was issued to Stub and Herbs.

### CONCLUSIONS

1. On three separate occasions, an employee of Stub and Herbs sold alcohol to a person under 21, in violation of Minneapolis City Ordinance 370.10, Minnesota Statute 340A.503 Subd. 2(1), and the established compliance check policy and procedures of the City of Minneapolis. These compliance failures occurred in a period of less than 24 months.
2. Stub and Herbs has paid the first two administrative citations relating to the above stated compliance failures. The third fine has not been paid as of October 6, 2009, and will be due on October 10, 2009.

### RECOMMENDATIONS

That the On-Sale Liquor License issued to Stub and Herbs shall be subject to the following conditions and adverse license action:

1. Provide an updated alcohol service policy to Licensing **due at time of signing this agreement** to include some of the following:
  - A. Policy and procedure given to employees regarding alcohol sales.
  - B. Use of an electronic card reader system that assists employees in determining the birth date required to make a legal sale of alcohol.
  - C. Whenever a staff meeting is held, alcohol service and proof of age policies will be a standing agenda item.
  - D. A plan on removal of obviously intoxicated customers.
  - E. Additional information that would apply to temporary expansions of premises.
2. Provide annual refresher alcohol service training to complement the training that all Stub & Herbs employees received in May, 2009. New employees must receive alcohol service training within 30 days of hire.
3. Post signs that identify Stub & Herbs alcohol sale policy to customers. This would include posters that promote the legal age for purchasing alcohol.
4. Employ a youth alcohol self-check program with decoys four (4) times each year for the next two (2) years and maintain documentation of the results. Have results available upon request

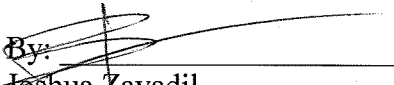
from Licenses & Consumer Services or Minneapolis Police. This program has been in operation since August, 2009.

5. Have a representative from Stub & Herbs attend regularly scheduled LINC meetings for the next two years after signing this agreement.
6. In the agreement that was approved by City Council on July 31, 2009, in lieu of a suspension, the City imposed a \$3000 sanction. \$1000 was stayed for a period of two years from June 29, 2009. The licensee paid \$2000 on June 29, 2009. The City recalls the \$1000 stayed amount to be **paid at time of signing this agreement.**
7. The City shall impose a suspension of thirty (30) days. Twenty-seven (27) days shall be stayed for a period of two years from the date of signing this agreement, provided no same or similar violations occur. The three days suspension shall be served on a Monday, Thursday, and Friday before December 31, 2009.
8. The City shall impose a sanction of \$5000. \$2000 of the sanction shall be stayed provided no same or similar violations occur. **\$3000 is due at time of signing this agreement.**
9. Stub & Herbs shall pay the \$2000 administrative citation due to Police Licensing by October 10, 2009.
10. This Agreement replaces recommendations previously imposed on July 31, 2009 for Stub & Herbs.
11. This Agreement shall not preclude any other adverse license action for subsequent violations of this Agreement, or for subsequent violations or subsequently-discovered violations of any federal, state or local laws, ordinances, or regulations.


Sterbs Development LLC understands that the holding of a business or liquor license in the City of Minneapolis is both a privilege and a responsibility. A minimum standard shall be met in order to hold such a license. One minimum standard is that a license holder is responsible to ensure that its business operates in compliance with all applicable laws, ordinances, and regulations. It is understood and agreed that any violation of the above Recommendations shall constitute just and proper cause for the immediate imposition of any agreed upon or stayed penalties. It is further understood that compliance with the above Recommendations is a requirement for continuing to hold a license and that failure to comply with any of these conditions may result in additional adverse license action.

I have read and understand the above findings of fact, conclusions, and recommendations. I agree with their contents and I agree with the above noted Recommendations. I understand that the failure of my business to adhere to this agreement may be cause for further suspension, revocation, or denial of my license. I understand that this report must be accepted and approved by the Minneapolis City Council and Mayor.

**For Sterbs Development LLC**  
d/b/a Stub & Herbs

By:   
Joshua Zavadil  
Owner

**For the City of Minneapolis:**

By:   
Ricardo Cervantes  
Deputy Director  
Licenses & Consumer Services

Date: 10-16-09

Date: Oct. 19, 2009